

LGA Corporate Peer Challenge

South Gloucestershire Council

7th – 10th November 2023

Feedback report





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1. Executive summary

“South Gloucestershire Council (SGC) is well led. It has strong, stable, political and managerial leadership and a track record for delivering its priorities. The future ambitions for their area and more broadly the West of England benefit from its leadership – it is proactive, focused, confident and collaborative.” **LGA Corporate Peer Challenge 2017.**

It is testament to the current Chief Executive, partnership administration and senior leadership team that the Peer Team in 2023 still hold this view of the council – despite a change of Chief Executive and political control in the intervening 5 years, (the latter being in May 2023), and this achievement should not be underestimated.

As a place South Gloucestershire has seen significant shifts in its demographic makeup, that will impact upon its service delivery now and in the future. It is largely rural in area but most of the population live within the fringes of Bristol. The total administrative area of the council is 53,665 hectares or 537 sq km, of which 80% is rural and 45% is green belt, with a population of 290,424 (2021 census). This is a 10.5 % increase in residents since 2011 – a growth in population that is higher than all neighbouring authorities. Since 2011 the council has seen an increase of 22% of people aged 65 years and over. There has been an 8% decrease in those aged 15-19, an 8% decrease in those aged 40 to 44, and a 7% decrease in those aged 45 to 49.

Organisationally, there are positive and effective Member/officer relations, based on mutual respect and understanding of roles. Again, this is to be commended as it is certainly not always the case with a change of administration and the formation of a partnership administration. Members (from all parties) were very clear how much they valued the professional and impartial advice and guidance provided by the Chief Executive in particular during this period of change.

Stability of leadership has delivered a track record of effective financial management meaning the council has options, albeit increasingly challenging ones, that it can explore in order to meet known and emerging financial challenges and support the delivery of wider council priorities. However, against this increasingly difficult financial landscape, it will be important for members to clearly define their priorities and that

these are developed (and potentially rationalised) in line with organisational capacity and resources.

Organisational rigour is further enhanced by an embedded resource planning approach (Resource Allocation Boards) which means that there is good corporate ownership and oversight. This has fostered good financial stewardship and accountability throughout the organisation. However, delivering all the proposed efficiencies will be challenging and will require resolve.

Whilst there is a strong culture of collaboration and staff are generally positive about their experience of working for SGC (as evidenced in the recent staff survey), there is a need to improve the capacity of internal communications to allow for greater consistency and parity between and across all service areas. This will help ensure consistent messaging across the council as well as fostering a culture of parity across all service areas.

Similarly, in common with the rest of the sector, the council is experiencing recruitment issues in some areas and whilst these are being proactively addressed in People Services, other services such as Legal and ICT could benefit from the learning and approach being shared.

There is a good understanding amongst senior officers and members of the governance processes, with all those we spoke with able to articulate control measures etc, however, this knowledge appears to be implicit within the council and in order to avoid the risk of a single point of failure should any individual leave the organisation (taking their knowledge and understanding with them), these processes need to be more clearly documented and accessible to both internal and external audiences.

The council has developed an effective financial narrative, which is grounded in officer and political ownership with a sustained focus on the evolving financial position and sustainability. The new (May 2023) partnership administration should be commended for holding the line on the challenging previously agreed four-year savings plan, again contributing to organisational stability and continuity.

There is now a need to ensure that there is a continued focus and a close eye kept on emerging pressures and delivery of savings to ensure the current agreed use of financial risk reserves to balance the budget comes to an end as planned and

development of additional savings plans continues.

The council has an embedded approach to transformation which has been a key part of their improvement agenda for some time and has evolved to adapt to a changing context and emerging risks.

SGC has a history of engaging positively and constructively in a wide range of partnerships which has resulted in partners being keen to understand the priorities of the new Administration and how they can work collaboratively with the council as they look to South Gloucestershire to continue to provide stability in the partnership arena.

The council (and wider partnership arena) would benefit from the planned review of the Local Strategic Partnership (LSP) resulting in a clear vision for the place all stakeholders want South Gloucestershire to be, with a defined set of actions that will enable residents, communities and businesses to thrive now and in the future.

The level of growth and innovation both within the council and externally is impressive – maintaining and enhancing the aspiration and ambition and building on these strong ambitions will be challenging but important as SGC continues to address sectoral financial challenges.

Members have clearly expressed an intention to improve community engagement and in order to move these aspirations forward, they need to be clear on the purpose of community engagement and ensure the ambition is understood and embedded within the organisation.

2. Key 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:

2.1 Use the development of a 10-year overarching plan to reflect the place you want South Gloucestershire to be.

Look to establish a set of shared objectives with strategic partners that provides a framework for shared resources and capacity where appropriate.

2.2 Continue work to develop an evidence-based Council Plan.

This will ensure clarity of purpose and ambition in collaboration with external and internal stakeholders.

2.3 Continue collaborative organisational focus on financial management approach.

This will enable the council to retain control of your financial future by ensuring the delivery of your existing MTFP Savings programme while robustly developing new savings proposals in response to constantly emerging budget pressures.

2.4 Consider how to celebrate the successes of South Gloucestershire.

Look to externally promote the work of the council where appropriate and where it contributes to raising the external profile of the council.

2.5 Develop a clear vision and approach to resident engagement.

Ensure this is owned by senior leadership and is embedded as a way of doing things, not a thing you do.

2.6 Review how governance arrangements are documented.

Seek to ensure clarity of understanding and transparency, especially for external audiences and to avoid the risk of a single point of failure should any key/statutory officers leave. This will enhance your ability to provide robust assurance to the organisation.

2.7 Develop a strategic approach to Internal Communications

Ensure all staff are receiving consistent messages and there is parity across all service areas.

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:

- Councillor Joanne Harding – Executive Member for Finance, Change and Governance – Trafford Council (Labour)
- Councillor Steve Darling – Torbay Council (Liberal Democrat)
- Marcel Coiffait – Chief Executive, Central Bedfordshire
- Shefali Kapoor – Director of Communities, Manchester City Council
- Andy Brown – Corporate Director of Resources and Deputy Chief Executive (s151) Wiltshire Council
- Sarah Clarke – Service Director, Strategy and Governance, West Berkshire Council
- Emily McGuinness – LGA Peer Challenge Manager

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 peer team to provide feedback on Community engagement.

3.3 The peer challenge process

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

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

- Gathered information and views from more than 30 meetings, in addition to further research and reading.
- Spoke to more than 94 people including a range of council staff together with members and external stakeholders.

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

4. Feedback

4.1 Local priorities and outcomes

SGC has a Council Plan that runs until 2024 – one year into the new administration. This has provided organisational stability at a time of political change as well as allowing the incoming partnership administration time and space to develop a new

plan which reflects a set of shared objectives. As part of this process the administration has identified 9 priorities, the next challenging, but vital, step for the council will be how these are delivered, alongside existing priorities and statutory services within a context of reducing resources. A recent staff survey indicated that staff are increasingly concerned about not having the resources to do their jobs effectively and that it is getting harder to 'get things done'. Organisational leaders, and members in particular, will need to be mindful of this when setting the direction of the council over the next four years and accept the premise that resources will need to be diverted in pursuit of new and emerging priorities, and indeed priorities may need to be rationalised in line with available resources.

As part of the budget consultation and engagement around the new Council Plan, the peer team would urge members to be unapologetic about the fact they spend 72% of their budget supporting the most vulnerable in society - whilst this impacts on the amount of funding available for other activities, supporting vulnerable adults and children well is something to celebrate. Members of the partnership administration appreciate the interdependencies between people and place-based services and the fact that in order to support the place, they first need to help people.

The council is progressing a 10-year plan which is intended to sit above the new council plan and to provide some longer-term focus. Currently there is a Local Strategic Partnership (LSP) that brings together key partners, but its relevance and effectiveness has been reducing and its future role, function and purpose will be reviewed as part of a planned governance review. Whilst the LSP does hold the Community Strategy, which along with the Council Plan provides the shared place ambition for South Gloucestershire, the proposed review offers a timely opportunity to establish the new 10 year plan as a more meaningful partnership delivery plan, seeking to harness external capacity in the pursuit of council priorities, where partnership interests align and will bring together activity on the ground into a single vision for organisation and place.

The new partnership administration has signalled an early intent to engage more productively with residents – this has been well received externally and will undoubtedly help the council ensure residents are more easily able to influence policy development and delivery. However, as the section of this report which focuses on community engagement explores in more detail, how such an intention

moves from concept to reality requires further consideration. The need to manage expectations is crucial as is the need to truly embed community **engagement** rather than consultation. There are significant resource implications associated with developing and implementing a meaningful approach to community engagement – resources that will have to be diverted from other priority areas. This is not to say that the intentions should not be moved forward, but that they are progressed in a context of realism.

Meeting the Council's 2030 Net Zero commitments for the organisation and South Gloucestershire will be incredibly challenging and require significant capital investment. The council is taking an innovative approach to renewable energy such as exploring using mine water to power district heat networks and is developing a business case for community owned windfarms. There are also examples of making the case for investment in green infrastructure by calculating the social value in monetary terms and exploring the potential for business contributions (the i-can project). Whilst grant funding for projects related to the climate and nature emergency has significantly increased, delivery against these (and any other additional funding) may require additional officer capacity.

4.2 Organisational and place leadership

South Gloucestershire is a well-run council with strong, respectful and purposeful relationships between Chief Executive and all political group leaders. This is the result of a consistent leadership style and approach, modelled by the Chief Executive and reflected by senior officers and political leaders. Leaders of all political groups value the professionalism and confidentiality which characterises their interaction with the Chief Executive and Senior Leadership Team. The way political change has been managed in SGC should be seen as an example to others in the sector experiencing similar levels of change both now and in the future.

Within this context, the peer team found senior leaders (political and managerial) to have a positive collaborative ethos. A case in point is the cross-party Local Plan working group which was formed under the previous administration and has overseen the successful publication of a Local Plan to the consultation phase during a period of change of political control. Valuing consensus where possible has allowed

the council to provide consistent leadership of both the organisation and the place and people it serves.

There is an embedded performance management framework at SGC, centred around the Council Plan priorities and mapped through service, departmental and personal appraisal discussions. The council also benchmarks against various national standards and has now started to use OFLOG metrics as part of this process https://lginform.local.gov.uk/reports/view/lga-research/oflog-dashboard-report?mod-area=E06000025&mod-group=CIPFA_Near_Neighbours&mod-type=comparisonGroupType . Regular Executive Member briefings on performance data are provided. There is currently no routine combined reporting of performance, finance and risk data. However, the move to a new Dynamics 365 system will enable the council to report on a more balanced picture of organisational health e.g., reporting finance, performance and people in the same place at the same time, thus supporting a stronger internal assurance framework and increasing confidence that variances will be spotted at the earliest opportunity.

In common with many others across the sector, the council is facing recruitment issues in key areas. The council has taken steps to proactively address these challenges in People Services such as a commitment to 'growing your own' and an Aspiring Leaders Programme as part of a wider learning and development programme. Other services such as IT and Legal are facing comparable challenges, with IT in particular finding it hard to compete with local technology sector employers. The council has a wealth of data and experience gained through People services and the rest of the organisation would benefit from the sharing of this learning.

SGC is a well-regarded partner with partners describing a 'stable and positive' organisation that plays a full and valued role. This is particularly evident in the health arena where SGC has a strong history of working in partnership to improve health and care for South Gloucestershire residents. SGC is one of three Local Authority founder members of the Bristol, North Somerset and South Gloucestershire Integrated Care System and members and officers of the council play an active leadership role through various bodies including the South Gloucestershire Locality Partnership, the Bristol, North Somerset and South Gloucestershire (BNSSG) Integrated Care Board (ICB) and Integrated Care Partnership (ICP).

The 5 priority areas of the ICP are reflected in the current Council Plan and show a genuine commitment to collaborating with key partners to improve outcomes for local residents. The 5 priorities are stated as:

- Tackling inequalities
- Strengthening building blocks
- Prevention and early intervention
- Healthy behaviours
- Strategic prioritisation of key conditions.

SGC has allocated £1 million, which has been match funded by the ICB, to establish a Prevention Fund which is looking at how locality partners can be used to shape how health and care services can be delivered. Providing financial support, even in fiscally challenging times, is appreciated by partners and serves to further reinforce the council's commitment to both working in partnership and improving outcomes.

Within this framework, SGC has worked hard, and effectively, to ensure the voice of children is heard within the ICB/ICS arena, which reflects the organisational commitment to driving improvement in Children's services and a genuine desire to improve outcomes for some of the most vulnerable in their community. Partners value the broader perspective that SGC bring to these discussions and with the new administration, opportunities exist to refresh some partnership relationships and re-establish a commitment to the delivery of clearly articulated shared objectives, creating an overarching plan will help co-ordinate this activity.

SGC is a constituent council of the West of England Combined Authority (WECA) along with Bristol City Council and Bath and North East Somerset Council. Recent months have been challenging for WECA with issues well documented in local and national media. There are a range of improvement activities underway and SGC is participating fully in this process. Although challenges remain and are inevitably impacting on the efficacy of the Combined Authority, SGC has been able to successfully secure infrastructure funding for a series of masterplans for key growth hotspots such as Severnside, North Fringe, East Fringe, Bristol Parkway Station, Kingswood, and Yate through being clear on the needs of South Gloucestershire within the wider regional WECA context. Whilst the challenging WECA dynamic is not

materially impacting on the delivery of key projects within South Gloucestershire, the full potential of the Combined Authority is not being realised and it will be important moving forward that SGC continues to engage constructively and seeks to effect change and improvement from within.

There is an impressive and diverse economic landscape in South Gloucestershire putting the council at the cutting edge of technological developments. As a council, South Gloucestershire is the product of local government reorganisation – as a place it is a collection of strong, distinctive communities which range from small bustling towns to globally leading aerospace, and the council has worked to develop a narrative of place which reflects and celebrates this diversity and a heritage of innovation.

The UMBRELLA network is a case in point of the innovation of both the place and the council and what can be achieved through collaboration. The UMBRELLA network is a 7.2 km Industrial Internet of Things (IIOT) testbed developed jointly with Toshiba. UMBRELLA links UWE with the Bristol and Bath Science Park, owned by the Council and the University of Bath, with other parts owned by the University of Bristol. The Science Park is also home to the National Composite Centre (NCC) and the Institute of Advanced Propulsion Systems (IAAPS): world-leading advanced manufacturing and net zero technology centres. There is a strong narrative around innovation, stretching back to early mining techniques, through the design and manufacture of Concorde and now the emerging market of Artificial Intelligence and the new nuclear options at Oldbury, the council has an exciting opportunity to continue to build on this to frame its place shaping objectives in coming years. There are strong foundations internally and externally to build on in continuing to make a positive difference, the challenge will be retaining and expanding aspiration and ambition in the face of budget pressures.

The Council has consciously sought to change its relationship with developers over the recent past – seeking to ensure development meets a wider set of community needs and aspirations, rather than solely serving the interests of the developer. South Gloucestershire has benefited from significant development in the past and it is positive to see an evolving approach to retrofitting social infrastructure around legacy growth. As this more proactive approach to growth continues to develop, in line with the council's priorities for place - to help communities thrive, reduce the

inequalities gap and reduce climate impact – it will be important for the council to continue to focus equally on both social and physical infrastructure.

Town and Parish councils appreciate the more proactive approach to engagement that they have seen from the new administration as part of their drive to develop community engagement. The approval of the Parish Charter, and the Forums are considered to deliver real benefits for the partners. Regular and appropriate communication and engagement is positively received by the Town and Parish Councils, although the council will need to take into account the varying capacities of Town and Parish Councils and tailor their approach accordingly.

4.3 Governance and culture

There are positive and effective member and officer relationships (across all political groups) where trust, respect and honesty are both valued and embedded. This is especially encouraging following a period of political change. Following the May 2023 elections, SGC changed political control from Conservative to a Liberal Democrat/Labour partnership and the peer team heard how pivotal the role of the Chief Executive was in navigating this change and the extent to which his advice and guidance was appreciated.

Whilst it is early days for the new partnership administration, the arrangement appears to be evolving positively and they have adopted a pragmatic approach to leading the authority through challenging times. The fact the Council Plan runs until 2024 has provided a critical period of stability as the new administration work to translate political ambition into deliverable organisational priorities.

The new administration has been faced by a number of significant challenges within the very early stages of their term, not least progression of a review of the Local Plan, disruptive major infrastructure works and budget challenges. It is a testament to all parties involved as well as strong organisational foundations, that these challenges continue to be addressed in a measured and mature manner.

Strong cross-party working is an inherent feature of SGC, as shown by the incoming administration continuing to deliver against the robust savings programme of £40m agreed by the previous administration. Similarly, pre-decision Scrutiny is seen as custom and practice at the council, where members of all parties have an opportunity

to engage in policy formation and such an approach relies on productive working relationships across all members.

More generally, SGC has a positive and proactive approach to Scrutiny with senior officers and members recognising the value that Scrutiny can bring to the quality of decision making. It is notable that there is designated Scrutiny Champion at Executive Director level and that the council has recently recruited to a dedicated Scrutiny Officer post. The "Standing Groups" on Climate/ Budget /CYP are seen as a positive part of the scrutiny process and all of these groups look to the Forward Plan in line with Scrutiny Best Practice. However, the council may benefit from increasing capacity to support Scrutiny of Children's and Adult's services as these are priority, high demand areas. Developing a cohort of members with more specialised skills, knowledge and experience could be advantageous and would build on the existing arrangements for Scrutiny of Children's Services.

Senior members have a sound working knowledge and understanding of the financial challenges facing the council and are aware of the need to take some relatively difficult decisions in order to fund vital service delivery moving forward. The fact there are still options to be explored places the council in a more fortuitous position than many others, but this is not to detract from the impact such decisions will have on the residents of South Gloucestershire. As the context becomes increasingly challenging, it is important that ALL members share the same level of understanding, and that informal and formal governance structures support the council's commitment to openness and transparency.


The peer team found that all the officers and members they met with were cognisant of the various internal governance processes that are in place and were able to detail how various boards, such as the One Council Portfolio Board, interact to ensure appropriate corporate oversight. The council has implemented best practice in many areas such as regular meetings of the statutory officers. However, this knowledge and understanding appears to be implicit and has evolved over time, a natural result of organisational stability. Moving forward, there is a potential risk that should any of the key statutory officers leave, without a more explicitly mapped and documented governance framework in place, incoming officers, or indeed external audiences, may struggle to navigate the system. The council has already publicly committed to increased transparency and so looking at what is second nature to many officers and

members from an external perspective may help in achieving this as well as mitigate the risk of a single point of failure.

Staff are proud to work for SGC and are committed and engaged as evidenced by recent staff survey results. This is a huge asset and will be invaluable as the council continues to adapt to meet financial and demand pressures. The officers we met with positively commented on the increased visibility of the new political leaders and they welcome the interest being shown by elected members in their individual projects and areas of work. Staff are awaiting the clarity that the new Council Plan will bring in terms of priorities and timelines for delivery. Looking to use enhanced internal communication channels could help engage staff more proactively in this process, and by doing so, seek to address concerns surfacing through the staff survey about organisational capacity to deliver. In the same vein, staff reflected that in some service areas there is a staff recognition scheme and that adopting a more corporate approach would provide all staff with a greater sense of recognition and value.

Members spoke positively about the support they received following the May elections referencing the away days with Cabinet members and the Strategic Leadership Team as well as the wider member development programme covering topics such as Corporate Parenting and Standards. As the four-year term progresses, it will be important for continued support to members in key areas such as Finance so that they are able to advocate effectively. Members also stated that they would welcome a review of the arrangements that are in place to support their undertaking of case work generated in their wards. This could include a recomunication of current practices and support as well as looking at what support other unitary councils provide to members to manage casework.

The council has recently reviewed and updated its risk management strategy. Whilst the management of risk is evident throughout key governance frameworks including within decision reports, planning processes, project management as well as procurement and partnership working arrangements, the council needs to ensure that there is appropriate oversight of risk on a regular basis. The reviewed Risk Management Strategy needs time to bed in and it is hoped oversight will increase as the strategy matures. Aligning risk reporting to performance management, enabled by the Dynamics 365 system, will also contribute to a more rounded view of risk and performance for members and officers.



Whilst the team heard from staff that they are aware of the inequalities that exist within the district, this knowledge and awareness is inconsistent, and not all staff feel they fully equipped to address the equalities agenda. Staff are aware of the training that is available to them and how to access it but did not feel they were fully supported to be able to embed their learning within practice. This was particularly highlighted from managers who would welcome more signposting and support to deal with issues within the organisation e.g., support to disabled groups. In terms of the wider inequalities' agenda in the district, there is an opportunity to link understanding and knowledge of communities with the community engagement agenda. The council had already set up a steering group to address the issues raised.

4.4 Financial planning and management

The benefits of organisational stability and strength of leadership are perhaps most evident in terms of financial planning and management at SGC. The council is by no means immune from the wider sectoral pressures of reducing funding and exponential increases in demand and will need to make some challenging decisions to deliver a balanced budget both this year and in future years. Against this backdrop, the council has a sound financial narrative where officers and members demonstrate ownership and a shared focus on managing the financial position and achieving sustainability in the short and medium term. In common with the rest of local government, the absence of longer-term funding certainty makes assurance beyond this period difficult.

Throughout the review the council was recognised internally and externally as a financially well-run council, and this can clearly be evidenced either through historic financial performance or future financial planning. Whilst this would be the envy of many councils, it is clearly part of the operational DNA of officers and members at SGC, with both members and officers able to clearly articulate the financial challenge

they are facing.

The draft 2024/25-2027/28 budget was presented to the October 2023 Cabinet meeting and indicated that the overall financial position of the council had worsened (due to factors outside the control of the council such as inflation and increases in demand in many service areas) by around £3m in 2024/25 and circa £2m in 2025/26 since it was last reported in February 2023, taking the budget deficit (before the application of reserves) to £7.7m in 2024/25 and £4.8m in 2025/26. This level of detail, and its visibility within the organisation, is testament to sound financial planning over a sustained period of time and is achieved through clear and jointly understood internal rigour around budget process. This has resulted in a degree of confidence that there will be early warning of issues and provision for action to be taken.

The incoming political partnership administration should be commended for 'holding the line' in terms of delivering the not insubstantial savings programme agreed in the 2023/24 MTFP, a programme which needs to deliver £40.3m by 2026/27. Providing political stability in the face of such challenging savings proposals has allowed momentum and organisational focus to be maintained - crucial components for ensuring financial sustainability in the current climate. The council has effective measures in place to ensure the savings programme remains on track such as baselining twice a year - an initial assurance process was run as part of their Resource Planning arrangements in the Spring which fed into the draft budget and was again repeated in October to seek further assurance and identify any mitigation for any remaining saving proposals at risk of not being achieved. Opportunities to over-achieve, both in terms of timing of delivery and levels of savings are continuously sought but it was also positive to note that a slightly 'lighter touch' approach has been adopted this year in recognition of the critical need to de-risk the current savings programme, as far as is practicable, with a focus on deliverability, before seeking additional savings for the 2025/26 budget. This will be particularly important in ensuring the current agreed use of financial risk reserves to balance the budget comes to an end as planned.

As mentioned above, Resource Allocation Panels are particularly impactful and a notable good practice that the peer team feel the wider sector could benefit from. The annual process is now well embedded and was pivotal in establishing the savings

programme, whilst ensuring corporate ownership and visibility of both the challenges and the solutions. The process is intensive both in terms of organisational and individual capacity. The peer team would urge the council to be aware and conscious of the burden and continued effectiveness of Resource Allocation Panels, and be alive to the risk that the process, while undoubtedly achieving robust financial management, doesn't have an unintended consequence of stifling innovation. Opportunities exist to evolve the process to support the development of the emerging Council Plan and the prioritisation decisions that will inevitably need to flow from this. The Resource Allocation panels have built upon an established culture of working together, across the political and organisational leadership and show an organisation that is naturally risk aware but has a clear determination to take more challenging decisions and take them early to continue financial sustainability.

SGC has a long and successful tradition of transformation, with the programme evolving as the needs of the organisation have changed over time. There is collegiate corporate oversight of programme achieved primarily through the One Council Portfolio Board which co-ordinates the resources required to deliver transformation and ensures activity is aligned to priorities. As stated elsewhere in this report, whilst all those the Peer Team spoke with could describe the internal governance structures supporting transformational activity, being able to map such structures would enable greater transparency, and ultimately accessibility for a wider range of internal and external audiences.

Similarly, the council should look to enhance the clarity and transparency of existing financial reporting to support its narrative and understanding from internal and external stakeholders e.g., clarity around reserves, saving details and delivery, risk exposure as well as risk mitigation.

The council, like many in the sector, has a Dedicated Schools Grant (DSG) deficit and is in the early stages of the Safety Valve Programme agreed with the DFE. Solid progression has been made against the metrics of the agreed Safety Valve programme and, if it was not for external factors i.e., inflation, demand and market conditions it is likely that this would be in line with original estimates. The council should continue its progress with the agreement and its conversation with the DFE to

ensure an alignment that reflects those elements that are outside of their control.

The council is progressing a project to implement Dynamics 365 (Finance and HR system) and there is a planned assessment of 'go-live readiness' in early 2024. The scale and complexity of this project should not be underestimated by the council and the Peer team would encourage the programme team to make the most of the assessment point early in the new year to ensure risks are clearly articulated and mitigated. Successful delivery of the project will realise significant benefits in terms of process alignment and integration and support the stated intention of the council to become a data led authority.

The council have previously made commercial decisions and investments, and whilst the risks and governance of these historic decisions and their ongoing performance are sound and monitored internally, given the high profile failures in the sector around commercial oversight and governance the peer review team suggests a review of the current arrangements to ensure sufficient openness and transparency in reporting externally, given the high risk exposure.

It was clear during the review that there is a political will and desire to ensure openness and transparency within savings plans that are in the public domain. Whilst internally the robust process and governance around resource allocation panels deliver saving proposals, and these are tracked through the One Council Portfolio Board, there is need to continue to improve and ensure those saving proposals are robust and realistic, with plans around their delivery, including their timing, that can then be oversighted through the council's existing OCPB.

4.5 Capacity for improvement

The council has invested in improving performance in Children's Services in response to a 2021 DfE Focused Visit which resulted in an improvement notice. Following significant improvements in Children's Services, the DfE lifted the improvement notice in January 2024. This is really encouraging news and reflects the council's internal efforts to improve services for children and families within South Gloucestershire, alongside a whole council commitment to make children and young

people a key council priority. This investment has had a positive impact and was needed due to chronic underfunding in the past and the Children's Services have now made improvements from a very low base. Children's Services have been a priority now for some years and the Chief Executive is very committed as are the members. The challenge for the council now will be how they maintain this going forward, whilst ensuring the needs of other areas of the council are recognised, and where appropriate, benefit from the lessons learnt from driving improvement in Children's services. For example, service specific approaches to internal communications and recruitment and retention have been developed within Children's services, to great effect, and the rest of the organisation would benefit from these approaches being rolled out more widely.

In the current financial climate, where funds are reducing and demand for services is increasing at unprecedented levels, the council will need to be very clear about what priorities are deliverable – with a particular focus on tangible outcomes for residents. Understandably, the incoming administration will want to develop their own priorities and ambitions and the development of the new Council Plan is providing an opportunity for them to do so. The current Council Plan end date of 2024 has proven to be strategically astute and has provided a welcome, and much needed, sense of stability and continuity both internally and externally. In writing the new Plan, we would urge the council to use the wealth of data that it has access to, to drive service design and delivery and ensure activity is directed to achieve maximum impact from reducing resources.

SGC has an embedded tradition of delivering improvement with the transformation programme having had several iterations to reflect changing organisational and sectoral contexts. The One Council Portfolio Board (OCPB) has been established to ensure council funds and resources are invested in the most appropriate projects and programmes, aligned to council plan priorities and part of its remit is to consider capacity to deliver. The Peer Team saw a council that is keen to continue a tradition of innovation in pursuit of improving services and where structures have been put in place to ensure a co-ordinated approach to such activity which will be further enhanced by the Portfolio Management System which is due to come online shortly. However, the council should be mindful of the recent staff survey results which indicated that staff are concerned about their continued capacity to deliver in multiple

priority areas. We heard from staff that they can no longer to do ‘the same for less’ and it is now more a case of ‘doing less for less’.

The Council Plan development process is a timely opportunity to provide clarity on priority objectives, and perhaps more importantly, what activity will cease in order to consider how the council will deliver these priorities within the available resources.

The approach to IT/Digital programmes is undoubtedly maturing within the Council. A Digital Strategy which sets out a high-level approach and future ambition has been adopted, the delivery of which is supported through a prioritisation process with quarterly gateway reviews that evaluate delivery over the last quarter, consider new work requests as approved by the OCPB and set the priorities and work deliverables for the next quarter. This approach is intended to ensure resources are matched to demand. This increased level of rigour has allowed IT to better map current service demands in the short term, but attention now needs to move to extending this to the medium term so that all service areas can better plan their change requirements. Capacity within IT remains an issue which can sometimes cause frustration in services wanting to secure IT support for system upgrades and the IT team is not always able to deliver an enabling role to the extent the organisation would wish.

SGC is a trusted partner and when reviewing capacity to deliver, opportunities exist to build on this reputation. Key strategic partners would welcome discussion around contributing capacity and resources in the pursuit of shared objectives and this could help alleviate capacity constraints within SGC. For example, there are good existing relationships with the Universities who would be willing to consider how they can further help SGC deliver on some of its regeneration ambitions alongside continuing to drive forward economic growth through research and innovation.

There is a need for internal communications with staff to be improved across the council. During the pandemic staff were appreciative of the regular videos and updates from senior leaders and feel this level of engagement is now missing. There are examples of good practice in some service areas such as Adults and Children’s which could be mirrored across the whole organisation – this would help foster a ‘one council’ approach. There is also a need to improve internal communications channels. Current practice relies on the discretion of individual managers to share information which can hinder consistency of messaging. As the council continues to

face challenges and seeks to embrace change and innovation, effective and impactful internal communications will be vital to both reassure staff and garner energy and support for change.

There have been instances where staff have been subject to unacceptable behaviour from members of the public and this is causing some concern with the current narrative around enhancing community engagement. Senior leaders (both members and officers) need to be more overt in recognising the challenge staff are facing engaging with a sometimes polarised public and be clear about the standards of public behaviour that are expected and those that are unacceptable.

4.6 Community Engagement

The council asked the peer team to include an additional focus area - Developing approach to Community engagement. Given that this is a relatively new, albeit high priority, policy area for the council and the incoming partnership administration in particular, the peer team have sought to both reflect on the early steps taken in pursuit of this stated ambition and perhaps more importantly, focus on the most impactful potential next steps.

The council has established the Community Conversations Project to explore and enhance the relationship between the council and the residents of South Gloucestershire, with the current iteration of the Council Plan stating a desired outcome as, “Deep local engagement with all aspects of our communities which will result in improved relationships, understanding, knowledge and trust”. This intent has been further strengthened by the current administration with a commitment to “listen better and work with residents, stakeholders and councils in decision making with an emphasis on providing clear information and having two-way conversations”.

There is clear organisational commitment to these principles with members and officers recognising the impact of the pandemic in terms of widening the inequality gaps and a need to maintain, and further develop, relationships with Town and Parish Councils which were so important at that time. Similarly, it was clear to the peer team that there is a will across SGC to change and build on the already positive relationships that exist with some communities.

In order to move these strongly held intentions to the delivery phase so that communities benefit from improved outcomes across all service areas, the council needs to establish a stronger clarity of purpose, particularly with regard to Community Conversations. There is a need to set a clear articulation of the vision – especially in terms of outcomes and impact. Currently there is mixed understanding on what this is, with a lack of certainty about ‘what good looks like’. This needs to be led by the political leadership supported by the Strategic Leadership Team.

Once this clarity has been established, the ambition (beyond a high-level commitment to the principles) needs to be embedded in the culture of the organisation. Opportunities could exist to deliver this within the updated council plan rather than creating a further strategy, thus making it an intrinsic part of how SGC operates and not something separate or additional

As reflected elsewhere in this report, staff at SGC, whilst committed to the delivery of high-quality services, are concerned about capacity and their ability to absorb additional work in pursuit of this political priority. Consideration needs to be given as to how enhanced community engagement will be resourced. This will need to include both capacity and providing support to develop workforce skills, so they have the right knowledge and skills to meet the ambition, ensuring the intended long-term objectives of sustainable cultural shift are achieved.

There are positive and valued relationships between VCSE organisations. It is clear that both members and senior officers are actively engaging with the sector and are having open and honest conversations. Whilst these strong, positive connections undeniably exist, all parties need to continue to invest in them so that relationships continue to develop and grow to reach their full potential. A key part of this will be looking at how to strengthen, or in some cases establish, effective relationships with SGC officers that sit below the Strategic Leadership Team and at all levels of the organisation. Community engagement must be embedded as the default culture throughout the organisation to be truly effective.

The council has adopted a positive approach to wider partnership working, particularly with the Locality Partnership with a recognition and commitment to the use of asset-based approaches to advance engagement and wellbeing within communities. The establishment of the Prevention Fund is evidence of this, and it

will be important that an evaluation is planned for, alongside the delivery of the fund, to understand the impact of this approach and how this insight can be used to further develop practice so that it becomes embedded in the approach taken across the public service system.

In order to fully realise the ambition, not only in relation to the relationship with communities, but in respect of the equalities agenda, the approach to communication and engagement should be strengthened. A recognition that communities are not homogenous groups, either in terms of identity or geography – will be important. Therefore, to achieve a place where all residents feel they are able to participate will require a nuanced approach; this will mean taking different approaches to ensure equity across communities. The allocation of resources may also be a consideration in this respect. Finally, our conversations revealed that a large majority of staff are residents. This is a valuable asset and should be recognised as such. They will also be in receipt of services alongside the ability to be ambassadors within communities. It will be important to consider staff as part of the community conversations work and recognise the knowledge and insight that they will be able to bring.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a progress review within twelve months of the CPC, which provides space for the council's senior leadership to update peers on its progress against the recommendations from this report.

In the meantime, Paul Clarke, Principal Adviser for the South West, is the main contact between your authority and the Local Government Association. Paul Clarke is available to discuss any further support the council requires.

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