

Corporate Peer Challenge

Borough Council of King's Lynn and
West Norfolk

16 – 19 October 2023

Feedback report





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1. Executive summary

The Borough Council of King's Lynn and West Norfolk (BCKLWN) comprises the urban area of King's Lynn, together with the market towns of Downham Market and Hunstanton surrounded by 102 parishes. A large, predominantly rural district of 550 square miles with a population of approximately 155,000. The borough council is the second largest district council in the country by area.

The borough has much to offer, being the recipient of government Towns Funding enabling regeneration of Kings Lynn improvements to the cultural offer and a youth and retraining pledge. There is also untapped potential to exploit the boroughs' location by making connections beyond the council borders. The borough is the envy of district neighbours and these unique selling points need to be shouted about.

Following 20 years of Conservative control of the Borough Council, the Independent Partnership, made up of members of the Independent Group, Liberal Democrat and Green Party, formed a minority administration of the council in May 2023, working collaboratively with the Labour Group. The new administration has ambition to deliver value for money services across the borough, as well as having high aspirations for investment, growth, and regeneration. The new political leadership have hit the ground running, and their approach is welcomed by partners and staff, with positive member and officer relationships being demonstrated.

A new draft Corporate [Strategy 2023 - 2027](#) has been published and is making its way through committees to Council for adoption in November. Whilst there is clearly use of quantitative data to identify needs and future demands in the borough, there is an absence of engagement with residents to inform the priorities. Partners and stakeholders commented "*they are a bit fearful of asking what people think*". Staff also said, "*we only consult with residents if we really have to*". A shared understanding of the council's vision and priorities across the organisation, with partners and communities would ensure everyone knows how they can contribute to delivery and know what outcomes are expected. Peers recommend the council engages, consults, and co-produces with residents and communities' future iterations of the Corporate Strategy and develops a customer engagement strategy and/or charter to set out how the council will involve all stakeholders in future policy and strategy development, for example on the budget and a long-term vision for the

district.

A new Corporate Governance Team (CGT) and in-house legal and Monitoring Officer post (MO) has been created adding essential corporate resource for the council. With a new Corporate Strategy and set of priorities being developed, peers recommend the performance measures and data needs of the council are reviewed to focus on priorities and outcomes in order to provide the right information for members to make decisions and for officers to put in place interventions to drive improvement and alignment with the budget.

The new MO and CGT are already making improvements to governance processes with a review of the decision making and a review of the council's companies. Whilst on site, peers observed meetings and heard from members about some logistical issues such as the length of meetings, room acoustics, room layout and some more fundamental questions about the need for three Scrutiny Committees and their roles and responsibilities. Peers recommend following the corporate peer challenge that the council undertakes an independent governance review to focus meetings on adding value to decision-making and scrutiny, resolve the logistical issues and reduce duplication of effort.

The methodology for strategic financial planning and modelling is robust, with the current Medium Term Financial Strategy (MTFS) setting out the position until the end of 2026/27 and showing a funded budget until 2025/26. This does however rely on the use of reserves to balance the budget and leaves a £5.3m ongoing gap to be addressed at the beginning of 2026/27 when reserves will have been drawn down to minimum levels. Whilst the peer team recognise the positive work and understand this is an acceptable strategy in the short term, it is not a sustainable strategy for the medium term with the threat of business rates reset and fair funding being a risk to the forecast.

A plan needs to be developed to bring the council's finances back into alignment and peers saw evidence that this process is underway in the development of a Cost Management Plan (CMP). Peers recommend the council keeps refining the CMP, engaging cross party members in the process to develop political consensus and uses the General Fund Reserve to fund this work at pace, as it will lead to ongoing annual revenue savings in the future which will address the underlying £5.3m gap in

2026/27.

Partners and stakeholders have a lot of respect for the chief executive, particularly her leadership of the climate change agenda across Norfolk, support of the Town Deal board, personal involvement in a number of community-led projects and the openness to finding joint solutions to issues and challenges facing the council.

The peer team spoke to over 160 people (internally and externally), read policies and observed meetings during their four days on site at the BCKLWN and there was an overwhelming feeling that the council needed to modernise, peers heard, *"it feels old fashioned here"*, *"we need a change in culture, in leadership and a focus on the strategic direction."* There is an officer and political awareness in the council of a need for change which requires fresh commitment and support from the whole senior leadership team. Out of date policies and traditional thinking around the protection of statutory versus non-statutory services are adding to this perception. This is not a helpful start point when looking for savings as the non-statutory services are often more closely linked to political priorities and those most valued by residents, for example, community development, parks and open spaces and regeneration. Staff from across the council told peers, they were embracing the corporate peer challenge to bring about change.

The majority of communication with staff is one way via all staff emails with the reintroduction of in person sessions since the pandemic taking time. Peers recommend MT and senior leadership team (SLT) take time to listen to staff and create new regular channels of ongoing staff engagement. Regular all staff face to face sessions on issues such as the budget, Corporate Strategy, new values and general Q and A would make the senior officer and political leadership more visible and enable bottom-up communication which is so critical in an organisation.

Peers observed senior managers immersed in resource-intensive detail with limited focus on strategy and outcomes *"SLT is prone to get into the weeds and detail of things and avoid strategic thinking"*. There were reports of fragmented *"silo and insular"* services with confusion around accountability for outcomes. Peers discovered there was little understanding of the different work and pressures horizontally across services. Peers believe the current structure is exacerbating this and recommend it is reviewed. Peers recommend the focus of MT and SLT should



be on strategic issues and managers should be allowed to manage.

There is an open door to transformational change, which is not common in many councils. The peer team found that staff across the organisation are excited by the potential of new senior managerial leadership, we heard comments such as “*we need a dynamic modern leadership team that wants to embrace risk and change*”, and “*we need a complete review of our resources*”. This is a big opportunity and peers recommend the council develops a transformation programme that designs everything around residents and communities and works towards becoming an adaptive council, to increase the flexibility to deploy skills and resources as needed depending on the operational situation.

Overall, the council is in a good position to deliver for its residents and work to regenerate the borough. There is now an opportunity for the political and managerial leadership to take stock and consider what type of the council it wants to be in the future and what it needs to achieve this. In the words of one of your partners “*be bold and lead*”.

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 Recommendation 1

Engage, consult and co-produce with residents and communities – Develop a customer engagement strategy/charter.

2.2 Recommendation 2

Talk and listen to staff, create new regular channels of ongoing staff engagement.

2.3 Recommendation 3

The political and managerial leadership needs to take stock and think about how to make the council fit for the future.

2.4 Recommendation 4

Re-focus SLT on strategic issues and empower managers to manage and deliver.

2.5 Recommendation 5

Use headroom to deliver ongoing annual revenue savings to address the underlying budget gap in 2026/27.

2.6 Recommendation 6

Put in place a transformation programme that designs everything around residents and communities.

2.7 Recommendation 7

Performance measures and data needs to focus on priorities and outcomes and provide the right information for members to make decisions.

2.8 Recommendation 8

Undertake a governance review to focus meetings on adding value to decision-making and scrutiny.

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:

- Member Peer – Independent – Cllr Gillian Ford - London Borough of Havering
- Member Peer – Labour - Cllr Alyson Barnes - Rossendale Borough Council
- Member Peer – Conservative – Peter Fleming – Former leader Sevenoaks District Council
- Chief Executive Peer - Rose Rouse, CEX Pendle Borough Council
- Officer Peer - Ben Lockwood, Deputy Chief Executive - Ashford Borough Council
- Officer Peer - Jo Yelland, Director - Exeter City Council
- Officer Peer - Will Pearson, Climate Change Strategy Manager - Cheshire West and Chester Council
- LGA Peer Challenge Manager - Kirsty Human
- LGA Project Support Officer – Onyekachi Abajingin

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?

3.3 The peer challenge process

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

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent four days onsite at the Borough Council of King's Lynn and West Norfolk, during which they:

- Gathered information and views from more than 55 meetings, in addition to further research and reading.
- Spoke to more than 160 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

The new Independent Partnership administration has worked with officers during their first five months of office to draft a new [Corporate Strategy](#). The council issued a [press release](#) announcing its journey to adoption. It was considered by the Corporate Performance Panel on 16th October before being considered by Cabinet on 31st October and then Council on 23rd November. The new Corporate Strategy provides an opportunity for the new administration to reset the focus of the organisation around the new priorities and develop an annual delivery plan which delivers tangible outcomes for residents and communities.

The timetable for adoption of the Corporate Strategy is tight and doesn't allow much time for wider engagement. Peers would have expected to see engagement with residents, staff and partners on the draft, to validate the priorities and create buy-in to the new vision. The council needs to consider how this vital engagement can be part of the implementation and delivery plans.

The council uses lots of quantitative data to identify needs and future demands in the district, and this is to be welcomed, but there is a lack of evidence of engagement with residents. Peers recommend the council engages, consults and co-produces with residents and communities on future iterations of the Corporate Strategy and develops a customer engagement strategy and/or charter to set out how the council will involve all stakeholders in future policy and strategy development, for example on the budget and a long-term vision for the district. The recent West Winch Growth Area public drop in event is one example of how to do this. People want to be engaged and would like to contribute to the vision for the district and its towns – this is a real opportunity for the council.

Once approved, the vision should inform the Corporate Strategy and outcomes which will inform the new priorities alongside the business as usual and drive delivery of the vision and outcomes. By aligning all the council plans, including, MTFS, transformation, workforce, digital, capital and regeneration programmes and others, the new Corporate Strategy needs to inform everything BCKLWN does.

Strong relationships exist with partners who are helping to deliver the council's

priorities. In relation to education (addressing lower than average attainment rates in the borough) peers heard the council referred to as “*voice of the west*” signifying the council’s commitment to raising educational standards. One of the Town Deal projects “[Boost](#)” brings together a unique partnership of local organisations – with leadership and support from Norfolk County Council and the BCKLWN to transform the prospects of young people in the town.

In addition, the council runs an impressive events programme with partners, which staff take pride in delivering. Events such as the annual fireworks display, Christmas light switch on, Soapbox Derby, music events, speedboats, classic cars and more – are all part of a wide and varied cultural offer for the benefit of residents and wider communities and are an important factor in making Kings Lynn and West Norfolk a good place to live.

BCKLWN has created capacity in key areas of the council with new roles and appointments. Through the succession planning of SLT in 2019/2020 with the change to the structure to include assistant directors. Two of the three directors and the chief executive are nearing retirement and reduced their working hours at the end of 2022 enabling an additional full time executive director to be recruited who is bringing new ideas and challenge to the organisation.

After a period of outsourcing legal services, a dedicated full-time Monitoring Officer (the Assistant Director of Legal, Governance and Licensing) was recruited in May 2022, and has built a core in-house legal provision, supplemented by external legal provision when required, to ensure the council operates a full legal function to support officers and members.

The Monitoring Officer (MO) oversaw the creation of a dedicated Corporate Governance Team which pulled in key officers and work already being undertaken within the council but with a renewed focus on corporate governance and accountability. The team has responsibility for managing the service around corporate complaints, Freedom of Information and Data Protection as well as producing and reporting on the progress of the Corporate Strategy, performance measures and associated Directorate Plans. The team collate performance and risk reports across the council and is providing a vital corporate role, taking on many additional projects and reviewing outdated policies.

The council's Performance Management Framework (PMF) is the mechanism by which priorities are linked to actions and assesses whether they are having the desired impact on service delivery and outcomes for communities. The council's [performance in relation to CIPFA near neighbours](#) is variable. Comparators show high levels of empty homes and high levels of Temporary Accommodation (TA) needs, yet low levels of affordable housing delivery and below average performance in all indicators relating to planning. All these areas directly impact each other, and it is positive to see them being raised by the Corporate Performance Panel (CPP) in their [June meeting](#). As priorities in the new Corporate Strategy, it will be important the annual delivery plan identifies how this performance is addressed to reflect better outcomes for residents.

The council has a shared contracted out service with Breckland District Council and North Norfolk District Council for waste and recycling. Compared to nearest neighbours the BCKLWN is paying above the average for this service, yet the recycling rate is below average (as is Breckland). CPP did not comment on this as part of their quarterly review of performance but a previous report to Cabinet on 15 November 2022 detailed the management of the contract and use of performance deductions for underperformance. Alive West Norfolk is the council's wholly owned leisure service. Annual spend compared to nearest neighbours is above average but the percentage of adults that are active, is the lowest in the comparator group. There are many reasons for inactivity which the council is not responsible for but investing time to understand the reasons for this, could help improve the health and wellbeing of communities and therefore reduce dependence on other services. The health partnership is keen to explore and embrace the opportunities available.

Performance reporting is thorough and [reported quarterly to CPP](#). The report is visual and easy to read but lengthy. The volume of measures produced in management reports is obscuring issues and making it difficult to track progress or underperformance. Peers suggest a smaller basket of performance measures (some action or milestone targets, some performance indicators), which are aligned to the new priorities and core services, be agreed. Peers recommend the performance measures and data needs of the council are reviewed and using the new software focus on priorities and outcomes to provide the right information for members to make decisions and put in place interventions to drive improvement.

The PMF is the 'Golden Thread' which connects strategic plans and priorities to deliverable programmes and schemes and the performance targets for individual employees. However, when questioned, a number of staff at different levels in the organisation had varying levels of understanding, with comments including, *"I don't know how my job contributes to them"*, *"we weren't consulted"*, *"the service plan is how we keep our heads above water"*. The fact the new Corporate Strategy is still to be approved could be influencing these views but by considering how best to engage and work with staff to clarify the PMF will help to enable everyone to understand how they support delivery to residents and the impact this has. Making performance measures visible at all levels in the organisation and using them to drive improvement within services will also bring more visibility and understanding of the golden thread.

In 2021 the council declared a climate emergency and developed a [Climate Change Strategy](#) setting out the plan for tackling the council's own emissions as well as those from the district. The council has a net zero target by 2035 and has taken steps to reduce greenhouse gas emissions by:

- Installing solar panels on council offices and sports venues and EV chargers across the district
- Re:fit of buildings, expected to save approximately four hundred tonnes of CO2 a year
- Installation of air and ground source heat pumps in council buildings
- A new joint refuse collection contract with Breckland and North Norfolk District Councils, improving the efficiency of refuse collection in the district to reduce emissions

The chief executive is also the joint chair and active member of the [Norfolk Climate Change Partnership](#). Partners were very positive about the chief executive's leadership in this area. Internally, thematic groups have been established to take forward the climate ambitions. However, despite strong leadership, there now needs to be a focus on embedding climate actions across all policies and services and ensure these are consistently applied. It is everyone's issue and there needs to be corporate and political ownership.

4.2 Organisational and place leadership

King's Lynn acts as the economic driver for the borough and has a catchment population of over 200,000 taking in parts of Cambridgeshire, Lincolnshire, and neighbouring districts in Norfolk. The town has a retail offer in the town centre, a large college comprising of a university campus, a School of Nursing Studies, a General Hospital which is included in the government's new hospital programme and an active evening economy. The town has a good direct rail link to Cambridge and London, but road infrastructure is poor and needs further investment.

Strategically placed in Norfolk, being the gateway from the Midlands to North Norfolk and the A47 to Norwich and the A10 to Ely and Cambridge. It is host to several world class manufacturing businesses, a traditional seaside resort at Hunstanton and Downham Market is a successful and growing market town. The Royal Family's winter residence, Sandringham, is located to the north of King's Lynn and is a tourist attraction in its own right.

King's Lynn was identified as a priority area for [Levelling Up](#), across a range of government programmes, including [Towns Fund](#), [Rural England Prosperity Fund](#) and [UK Shared Prosperity Funding](#). BCKLWN were successful in securing £25m from the Towns Deal Fund and have a programme of six projects to benefit including a youth and retraining pledge, St George's Guildhall complex, multiuser community hub, , active and clean connectivity, riverfront regeneration and rail to river public realm. These are detailed in the [King's Lynn Town Investment Plan](#) which sets out the long-term vision for the town, developed with residents, partners, business and the Town Deal Board.

Peers were impressed with the way the Town Deal Board operates. A recent restructure, increased the number of Borough councillors from two to three, including one from the Labour Group (the main political group representing the urban area of King's Lynn). It is clear the board is well led, with good governance and has strong partnerships in place to help deliver the identified projects. Partners were complimentary of the council's involvement, *"the effort from officers producing reports and data is tremendous"*. There is member representation on the board, but the majority of councillors are not fully aware of the good work being delivered. A process for councillors on the board to regularly report to all members would be of benefit to the council and help to avoid unnecessary questions.

Across the country the costs of Town Deal projects are increasing, and this is also an issue for King's Lynn. The council needs to consider options for meeting this shortfall, for example, through discussions with partners/stakeholders about match funding or by value engineering and reprofiling projects to make them more deliverable within the budget. Internal capacity was also raised as an issue. These are big projects that cannot be managed on the side of day jobs and peers recommend the council work with the board to urgently resource and effectively programme manage the delivery of these priorities to grasp these once-in-a-generation opportunities. The peer team heard reference that *"a good project manager saves the cost of their salary"*.

Whilst work is progressing on the [Hunstanton Masterplan](#), a Levelling up bid to fund the replacement of the Oasis Leisure Centre, situated on the southern seafront at Hunstanton was unsuccessful. Further work is now in progress to establish clear plans for the future operation of this facility. In addition to Hunstanton, peers heard from partners and stakeholders of the need to develop an economic development strategy for West Norfolk, comparable to that developed for King's Lynn, in order to silence the *"everything is focused on King's Lynn"* narrative. This provides a great opportunity to co-develop a vision for your communities and place through engagement with the people and businesses that reside there.

Peers were struck by the enormous potential the borough has to offer. The beautiful sandy beaches, thriving coastal tourism economy, new Queen Elizabeth hospital, Town Deal projects in King's Lynn and the [recent discovery](#) that Shakespeare walked the floorboards in St George's Guildhall are all envied by your Norfolk neighbours who encouraged BCKLWN to *"shout it [what you've got] from the rooftops"*. There are opportunities for the future in the untapped potential to expand beyond the council's borders. There were suggestions externally that *"King's Lynn is an Island"* and that there is a *"go it alone culture"*. The new administration has already started working on this perception and peers believe there are real opportunities to develop closer relationships with neighbours such as Lincolnshire and Cambridgeshire which offer good transport links and different economies, skills and expertise. Don't let this potential and the opportunities pass you by.

There has been a positive reception to the new administration among partners and the leader is building relationships for example, agreeing to meet with Parish Councils every six months. The chief executive was instrumental in supporting the

opening of the social supermarket and the council works well with Norfolk County Council to deliver joint projects around climate, regeneration, West Winch Growth Area, the community hub/library. T The twinning of King's Lynn with the German town of Emmerich and King's Lynn's links with the Hanseatic Union created opportunities for cultural and business collaboration. The links provide future opportunities, particularly to tell the story of the town and attract visitors to new heritage attractions, including regeneration plans for St George's Guildhall and its medieval origins. T. Supporting business development and economic growth has been a priority. An example can be demonstrated in 2010 when endeavours by officers and members to welcome and encourage a potential investor Dr Wolfgang Palm led to the delivery of the Palm Paper factory. The council, working very closely with DIT provided detailed local information to help inform the investment decision as well as working to introduce local businesses as supply chain partners and helping to support recruitment and training of the new workforce. Dr Palm talked publicly at the opening about the choice being based on the 'warm welcome' he had received.

The chief executive and regeneration team are well respected among partners and are perceived as being open to finding joint solutions to issues and challenges, for example stepping in as developer to deliver housing and commercial property when low values and challenging ground conditions were deterring both local and national builders from house building in west Norfolk. In 2015 the BCKLWN entered into a [Major Housing Programme](#) with Lovell Partnerships Ltd to build up to 600 new homes across four sites in the Lynnsport and Marsh Lane areas. Further proposals now mean the council can deliver up to 1000 homes in the local area, which will help to increase the provision of affordable homes in the district. This model is widely respected by other partners who would also like to do business with the council.

The council's Local Plan was submitted in 2022. In January 2023, the Planning Inspectors announced the adjournment of the Local Plan Examination to allow the council the opportunity to undertake further work to justify the spatial strategy and distribution of housing in the Local Plan Review. Continuing to focus and develop the Plan to "*get it over the line*" will enable the council to build on its leadership of issues such as climate change.

4.3 Governance and culture

It was clear to peers that the new administration has hit the ground running. It hasn't been easy, and relationships are still forming between members of the partnership but on whole staff and partners were positive about the new political leadership *"the new administration are like a breath of fresh air"*.

Officer and member relationships were seen as positive, with comments such as *"It's been nothing like we expected, in a really good way"*. There has been constructive engagement by the leader with unison and members have been keen to understand the inner workings of the council. Peers heard an example of a portfolio holder sitting in one of the teams they are responsible for to understand the issues and challenges faced by staff on a daily basis - staff really appreciated this. Once new members have gained a good understanding of their service areas, a balance needs to be struck which enables members to set the direction and officers to deliver.

There are good relationships between the statutory officers (chief executive, MO and Section 151 officer) who meet formally on a monthly to discuss important strategic issues such as the delay on external audits.

Bringing the MO role in-house and investing in the corporate governance team has the potential to strengthen governance. It is already improving the quality of the Forward Plan by providing challenge around what reports are for information or decision and whether they are necessary. The governance review of the council's companies was widely recognised as an excellent piece of work which should be strengthened by the forthcoming review of their business cases and finance.

The BCKLWN risk register is a very long document with lots of detailed actions. However, these actions do not appear to mitigate the risks. It is not a user-friendly document for members to understand or to use effectively to develop effective risk mitigation strategies. Peers recommend the council changes the focus of the risk register to become a tool rather than a list and creates a dashboard for members of the Audit Committee to easily identify where they need to intervene – this should become easier with the new software. The Annual Governance Statement would also benefit from being shorter and more focused on governance rather than broad and unspecific Corporate Strategy items. Every council has to produce this, so there are many examples from elsewhere the council can learn from.

The council operates a Leader and Executive model and three scrutiny panels, the

Environment and Community Panel, the Regeneration and Development Panel, and the Corporate Performance Panel (CPP). The panels refer to Cabinet's Forward Plan and call items to panels for scrutiny and make recommendations for consideration at Cabinet. The council is following best practice by allocating opposition members to key committee positions.

Peers spoke with councillors and observed a CPP meeting to understand meeting structures and dynamics. Full Council meetings allow questions to be raised at the meeting and this is taking up a lot of time, leading to some business being deferred to the next meeting and in turn leading to around 10 Council meetings a year. Anything that doesn't go to the other scrutiny meetings has to go before CPP which is creating a bottleneck in the system and lengthy meetings. When observing the CPP meeting, there were so many people present it was hard for the audience to understand who was chairing, who were committee members or just observers and the acoustics made it very difficult to hear people, especially those joining virtually. The presence of Cabinet members at CPP makes it hard for the opposition to openly scrutinise and their attendance should be reviewed.

There is a lot to unpack in the council's governance which peers would need more time to observe and discuss with members. A quick review of "custom and practice" would help to better facilitate the operation of council meetings. Refocussing and streamlining the scrutiny panels to focus on outcomes would also be of benefit (many councils of similar size only have one scrutiny committee with task and finish groups reporting to it.) However, to fully address the issues, peers recommend following the corporate peer challenge that the council undertakes an independent governance review to focus meetings on adding value to decision-making and scrutiny – constitutional change would be required.

The Council has an Audit Committee, which regularly examines risk, internal audit progress and external audit issues. Unusually, the committee also receives reports on budget monitoring – this is a report that would under normal circumstances be presented to a decision-making committee, for example, Cabinet. It is important the executive committee takes the responsibility of receiving the budget monitoring reports, considering their content and recommended actions.

As part of the new member induction programme, training for all new members of

Audit Committee has been delivered. Members of this committee now need to turn their attention to the fact a relatively high number of low-level audit recommendations that have not been implemented by services. Consideration needs to be given by MT and SLT as to why these recommendations have not been implemented once agreed with the auditor. If they present a low risk to the organisation, consideration should be given by the Audit Committee as to whether the risk of not implementing these recommendations could be tolerated by the council. In the future managers need to consider whether it is appropriate to agree low level recommendations if there isn't the capacity to implement them. The current situation is creating a resourcing pressure to follow up and chase the implementation of recommendations.

From the meetings peers observed, the reports and policies they read and the people they spoke to, there was an overwhelming feeling the council needs to modernise. As one person put it "*I think we are a bit stuck*". There is a time critical opportunity under a new administration to bring about change – and staff are already onboard with this. Peers recommend the political and managerial leadership pause and take stock of these views and think about how to make the council fit for the future.

External communication has been improved with new digital channels of communication, regular press releases and videos. Staff spoken to, reported that internal communications is less advanced and is more one dimensional and top down. There is a weekly email to all staff advising on upcoming events "*ignored by most*", but more formal internal information is meant to feed down through MT to SLT, managers and so on. It doesn't appear to be happening, with many staff reporting that depending on who your manager or AD is, will depend on what you get to know.

The organisational culture is currently fragmented and inconsistent. Many staff don't feel engaged on the new values or the Corporate Strategy and cannot see the "golden thread". The council recognises once the Corporate Strategy is adopted, there is an opportunity to co-develop the new values and behaviours with staff to ensure they are integrated into the core business. Peers recommend MT and SLT take time to talk and listen to staff and create new regular channels of ongoing staff engagement. Regular all-staff face to face sessions on issues such as the budget, Corporate Strategy, values and a general Q and A would make the senior officer and political leadership more visible and enable bottom-up communication which is so

critical in an organisation.

The council is undertaking a staff survey in early 2024 at the request of the new administration – the last one was in 2007. Peers recommend this survey includes questions on staff satisfaction, stress levels (see HSE tool [kit](#)) the culture of the organisation and strength of management. This will then provide a baseline from which to compare and contrast in the future and assess progress.

There are many policies across the council that are out of date or not in existence. For example, Digital Strategy/Roadmap, Workforce Plan, Asset Management, Economic Development, Resident Engagement and HR. Peers recommend the council prioritises the creation and updating of these in accordance with its new Corporate Strategy and involves staff in their creation to ensure buy in and consistent compliance.

4.4 Financial planning and management

BCKLWN has a net revenue budget of £22.3m. Like many councils nationally, spending and income were subject to fluctuations during the Covid-19 pandemic, but the council maintained a strong financial position and managed to consistently bolster reserves during the last three years - reserves are high compared to CIPFA near neighbour benchmark. Budgets are still subject to fluctuation and variance, and a small overspend is currently predicted for the current year.

The methodology for strategic financial planning and modelling is robust, with the current MTFS setting out the position until the end of 2026/27 and showing a funded budget until 2025/26. This does however rely on the use of reserves to balance the budget and leaves a £5.3m ongoing gap to be addressed at the beginning of 2026/27 when reserves will have been drawn down to minimum levels. Whilst this is an acceptable strategy in the short term, it is not a sustainable strategy for the long term with the threat of business rates reset and fair funding being a risk to the forecast.

A plan needs to be developed to bring the councils finances back into alignment and peers saw evidence that this process is underway. There are good working relationships between officers and finance portfolio holder. Additional resources have bolstered the ability of the finance team to support this work and a Cost Management Plan (CMP) is being developed with a number of approaches to reducing the cost

base including:

- Reviewing budget outturn
- Zero Based budgeting
- Reviewing fees and charges

The council has opportunities to grow its revenues from further housing delivery and through business rates retention. Once the CMP has been agreed this will need to be implemented and the delivery of the savings and other measures will need to be carefully monitored by MT and Cabinet to ensure that they are delivering the desired outcome.

Identifying savings will be challenging and peers strongly advise the council to develop an organisational wide transformation plan to support the identification of efficiencies. Consider opportunities for partnership working, asset management planning and reviews of service delivery to make core (statutory) service delivery the most efficient it can be - to protect capacity to deliver the place making and community leading initiatives that support local residents. Peers recommend the council uses the General Fund Reserve to fund this work at pace, as it will lead to ongoing annual revenue savings in the future which will address the underlying £5.3m gap in 2026/27.

Peers saw a growing understanding of the budgetary challenge, being led by the new administration and this is a positive start, however it is critical that everyone takes ownership of it. Transformation and the CMP will only be successful if there is broad cross party and an organisational wide understanding of the issues and support for the measures that are needed. The plan will need to achieve support from

- All group leaders and the wider membership
- All members of MT and SLT – and then filter down through the organisation

Peers observed that budget monitoring/ownership is seen as a finance issue and not a service issue. This needs to be reversed with individual managers owning their budget forecasts and taking responsibility for forecasting their outturns and managing variances. Current budget monitoring and final outturn reports show significant movements in final outturn figures. In a financial environment where resources are reduced budget monitoring needs to be accurate and produced in a timely manner.

To support this SLT should review the use of the finance system and make sure that budget managers are able to use the system to provide forecasts and that the finance team can use the system to collate the forecasts. As an organisation, trust needs to be built in the finance system.

The budget timetable is not formally published, but peers understand development of the budget and MTFs for consultation reflects a process that starts in the autumn, with the development of proposals ready for February. This process leaves little time for wider public engagement on the budget and for wider understanding. Formal scrutiny involvement in the process is also minimal. A presentation was made to the Joint Panel on 3 February, but by this time the papers for Cabinet on 7 February had already been published. There is no iterative process that allows Scrutiny to inform Cabinet decisions. The presentation to the joint panel was very technical, with no analysis of the impact of the budget on services or priorities.

To create a culture of budgetary responsibility and ownership all forecasts need to flow to the Cabinet through the MT and SLT and Scrutiny needs to play a more active role in reviewing the budget and holding the administration to account. Given, the changing financial position, peers suggest the council reviews its processes to enable timely (monthly) reporting to the appropriate committee and earlier public reporting in the budget build cycle.

The council has a number of years' accounts that have not been signed off by the auditor, it is acknowledged that this is a sector wide issue with most councils having issues over varying stages. In response to matters arising the council has invested in its finance team and worked to address the issues that have been highlighted in the auditor's reports. This is placing the council in a stronger position to progress the audit of accounts and support any reset of the system proposed by government.

The council has undertaken a governance review of the measures for the management of the council's three companies (West Norfolk Housing, West Norfolk Property and Alive West Norfolk); this is an excellent review and through the implementation of the measures within the review the council will address some significant weaknesses.

Building on the strong work to date, efforts now need to turn to review the business plans of the companies to ensure there is a strategic alignment of the objectives of

the companies and that they have a financial plan and robust system for assessing the risks of these enterprises to ensure that the council as shareholder is protected.

4.5 Capacity for improvement

The BCKWLN have many talented and committed staff who really care about each other, what they do and who want to make a difference, *“best thing about working here is my colleagues, we have a sense of being a team who works for the benefit of constituents.”* Staff are proud of the services they deliver for example the parking and CCTV service that will soon be running all over Norfolk. The grounds maintenance team are also proud of the awards they have won for keeping towns clean and “in bloom”.

There is an incredible amount of goodwill in the organisation *“staff have a can-do attitude”*, which many officers attribute to the training and development invested in them over the years. There is a great track record of “growing your own” with access to apprenticeships at all levels. The council has high staff retention rates - 2022/23 turnover was at 10 percent compared to the average of 15 percent and turnover since April 2023 is 4.8 percent. Sickness absence is also just below the average of 8.8 days at 8.7 days in 2022/23. It is positive to see the council investing in its staff and thinking about succession planning, but bringing new faces into the organisation has also been positive and can bring fresh perspectives, new ideas and learning. The council needs to find the right balance of this.

The goodwill is however being tested to its limit following the introduction of the Working Arrangements Framework which formalises hybrid working arrangements. At 35 pages, it is a long and complex document with very detailed information on what can and can't be done across different roles. Equalities implications were a concern for peers, with the policy stating “In circumstances where an employee requires specialist equipment (including rise and fall desks) to undertake their job this cannot be provided at home. This may limit the ability to work from home for some employees”.

Given its relatively recent implementation, the policy was a hot topic of conversation in many meetings peers had with staff during their visit. Peers heard *“people are absolutely hacked off about it”, “we weren't consulted”, “we feel done to rather than worked with”, “it feels like we are being punished for working from home”*. The peer

team understand the framework was developed and shared with SLT for wider dissemination and discussion with services, but there seems to be varying levels of engagement with staff through this process. Unison was consulted but with only 150 members, approx. 28 percent union members, this is a small selection of staff who were able to influence the draft versions.

Peers recommend urgent engagement with staff impacted by the policy to listen to their concerns and work with them to develop arrangements that give more power and discretion to managers based on business need, individual circumstances, equal opportunities and trust. Rectifying the elements of the policy which are seen as particularly punitive – a reduction in available flexi days for those that primarily work at home - would be a welcome first step. Peers did recognise that many staff are able to work from home approximately two to three days per week and that not all staff are dissatisfied with the new policy.

The council should also consider encouraging a staff forum with representation from officers across the organisation to provide a staff led forum for engagement and consultation on future staffing issues and policies. This will help address the inconsistent management of the policy and improve the low morale and powerful feeling that staff are not listened to or trusted by senior management.

Recruitment across the local government sector is a national problem and the BCKLWN is no different. It has proven particularly difficult to recruit and retain members of staff, in professional/managerial roles, especially in areas such as Finance, ICT and Planning. The council has taken steps to proactively retain staff, developed pay progression schemes linked to qualifications, continued support for training and management development activities and have initiated a review of the salary structure.

Peers heard from staff and managers that the recruitment process is lengthy and onerous and gave examples of applicants finding jobs elsewhere before the process at the council had completed. Some managers apologise to new starters for the lengthy digital induction programme they have to sit through and there is also an issue with seasonal staff having to reapply for their roles every year, even if they have worked for the council for a number of years. Recruitment is a very competitive market, and the council needs to be an attractive employer to existing and future

staff. Peers recommend the recruitment process and procedure is reviewed along with all staff benefits and the council thinks about what makes the BCKLWN unique – to create an appealing package to prospective candidates.

Covid-19 featured in almost every conversation the peers had with staff and members. The aftermath of the pandemic is still very evident, unlike in many other councils the team have experienced. This could in part be due to the overall health of West Norfolk being worse post covid than in other parts of the country and placing more demands on services. Whatever the reasons, it was clearly a very traumatic time, with many staff redistributed to frontline roles and delays in rolling out digital infrastructure to allow home working meaning many staff still came into the office. Staff describe a backlog of work as a result of the pandemic. However, when asked, senior managers were unable to specify what these were or any plans in place to reduce them. Peers recommend the council makes some time to reflect on its experience during this time, learn from it and move on. The new focus on staff health and well-being provides an opportunity to do this and peers suggest the council considers introducing an external employee assistance programme to further support staff.

The structure and responsibilities of assistant directors (ADs) is not easy to understand, for example, food safety, environmental management and refuse and recycling are under three separate ADs. Major projects sit under two separate ADs and democratic services are not within governance and legal. Whilst this may have made sense for the council at the time, it is rather unique and not easily understood by partners who work across other areas.

A clarification of roles and responsibilities particularly at the ED and AD level would strengthen the empowerment of middle managers. Peers considered the current membership of SLT to be too large, with too much operational discussion and less time for strategic leadership planning. Decision-making needs to be pushed down the organisation to empower tier two and three managers and to enable senior management to focus on the strategic issues. Completing an exercise using the RACI model (responsible, accountable, consulted, and informed) would support better understanding.

Consideration should also be given to creating a structure which enables managers

below SLT to meet as a collective to discuss operational and cross cutting issues, which can be reported into MT/SLT for strategic decision making. This would empower ADs and managers, create a solid peer to peer learning environment and break down a perception of “micromanagement”. Peers believe the current structure is exacerbating this and recommend it is reviewed. Peers recommend the focus of MT and SLT should be on strategic issues and managers should be allowed to manage.

There is an open door to transformational change, which is not common in many councils. People are excited about by the potential of a new leadership, “*we need a dynamic modern leadership team that wants to embrace risk and change*”, “*we need a complete review of our resources*”. This is a big opportunity for the council and peers recommend the council develops a transformation programme that designs everything around residents and communities and work towards becoming an adaptive council, to increase the flexibility to deploy skills and resources as needed depending on the operational situation. For example, consider:

- Reviewing strategic capacity to resource your priorities – regeneration and project management as examples.
- Make evidence-based decisions, using data and insight – review the performance management framework to support this.
- Implement an ‘agile’ approach with increased flexibility and ability to adapt to changing circumstances – are your governance process and constitution flexible enough to move and make decisions at pace?
- Be a learning organisation - led by reflection, action inquiry and look beyond Norfolk for best practice.
- Focus on the needs, preferences and experience of residents in service improvements and transformation,
- Instigate digital transformation and channel shift - develop a digital strategy that increases efficiencies, provides the hardware and software you need to get business done, enable agile working and provide a good customer experience for residents and other service users.
- Focus on staff, your greatest asset – develop a new all-encompassing

workforce plan.

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, Rachel Litherland, Principal Adviser for the East of England, is the main contact between your authority and the Local Government Association. Rachel is available to discuss any further support the council requires.

rachel.litherland@local.gov.uk, 07795 076834.

6. Additional information

1. Governance

The Centre for Governance and Scrutiny (CfGS) is a social purpose consultancy and national centre of expertise. Their purpose is to help organisations achieve their outcomes through improved governance and scrutiny. They can support the council with a [governance review](#).

2. ICT

The LGA has a [Cyber, Digital and Technology](#) offer for councils. This includes access to a [free cyber 360 service](#) and advice and guidance from experts. For more information or to discuss bespoke requests contact: jamie.cross@local.gov.uk

3. Transformation

The LGA's [Transformation Experts programme](#) offers bespoke advice and support to local authorities to help them deliver transformation activities. We have a cohort of transformation experts who have delivered transformation programmes in their own councils. The experts also cover a wide range of service specific expertise including but not limited to:

- service transformation
- data and digital
- adult social care
- children's services
- council culture
- organisational change
- partnership-working
- economic growth and business intelligence
- behavioural insights
- governance
- commissioning

Our Transformation Experts will be linked up with councils who request ad hoc support to provide expert advice. This could range from reviewing their council plans and projects, to offering constructive challenge based on their own experience and knowledge. The type of support will be led and determined by the needs of the recipient council. The support will be available for a maximum of 10 days until March 2024.

Contact: Olivia.Lancaster@local.gov.uk or Michael.Balls@local.gov.uk